



**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

23 September 23, 2014

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Los Angeles County  
Board of Supervisors

September 16, 2014

Gloria Molina  
First District

Mark Ridley-Thomas  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AMENDMENT TO MEDICAL SCHOOL AFFILIATION AGREEMENT  
BETWEEN THE COUNTY OF LOS ANGELES AND THE UNIVERSITY OF  
SOUTHERN CALIFORNIA  
(1st AND 4th SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

Mitchell H. Katz, M.D.  
Director

Hal F. Yee, Jr., M.D., Ph.D.  
Chief Medical Officer

Christina Ghaly, M.D.  
Deputy Director, Strategic Planning

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**SUBJECT**

Request approval of an amendment to the Medical School Affiliation Agreement with the University of Southern California to adjust staffing levels and increase the maximum contract amount accordingly.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Make a finding as required by Los Angeles County Code section 2.121.420 that contracting for the provision of physician and non-physician services at LAC+USC Medical Center (LAC+USC MC) and Rancho Los Amigos National Rehabilitation Center (RLANRC), as described herein, can continue to be performed more feasibly and economically, respectively, by contracting with the private sector.
2. Approve and instruct the Chairman to execute the attached Amendment No. 8 (Exhibit I) to Medical School Affiliation Agreement No. 75853 (MSAA) with the University of Southern California (USC) for the provision of physician medical education and patient care services, effective upon Board approval to:
  - a) increase the maximum obligation for the prior fiscal year from \$134,885,834 to \$135,299,571 pro-rated for the addition of clinical laboratory services at LAC+USC MC and a full-time physician at RLANRC; and b) add and re-allocate

additional purchased services and increase the maximum annual obligation to \$137,352,944 for the fiscal year beginning July 1, 2014.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the first recommendation is necessary to comply with Los Angeles County Section 2.121.420, as amended on November 21, 2006, whereby contracting for services is allowed upon a Board determination that the use of independent contractors is more feasible than the use of County employees for physician services, and is more economical for non-physician services. The Department has evaluated the Agreement's physician services, and recommends the Board's determination thereof. The Department has also evaluated the addition of a doctoral scientist at LAC+USC MC to provide clinical laboratory services, finds that such non-physician services are more cost-effective than the use of a County employee, and recommends the Board's determination thereof.

Approval of the second recommendation will enable the Director to amend the MSA to increase the volume of physician services and adjust the staffing levels and costs based on current service needs, as described below.

**Additional Purchased Services**

Attrition. The MSA provides that upon the attrition of a County employed physician, the Director may either hire a replacement or direct USC to provide such services using University physicians. During Fiscal Year (FY) 2013-14, LAC+USC MC directed USC to provide such services for various specialties for the remainder of the contract year. Approval of this amendment will provide ongoing funding for the purchased service of various specialists, 5.0 Full Time Equivalents (FTEs), at an annual cost of \$1,241,917.

Department of Surgery – Acute Trauma Services. The current workload and case volume has increased over the past few years in the Department of Surgery. In order to maintain LAC+USC MC's premier designation as a Level 1 Trauma Certification Center for the community, DHS needs to recruit and retain expert trauma physicians after losing two University physicians within the last six months. Recruiting replacement trauma physicians for this specialty has been a challenge to USC due to non-market rate compensation levels. As a result, \$294,424 will be added to the residual funding for the two departed physicians to enable USC to recruit experienced, Board-certified physicians and maintain the same trauma service levels.

Neurology/Neurosurgery/Surgical Services at Rancho Los Amigos. RLANRC will be increasing surgical services to DHS from 4 days to 5 days per week. A principal emphasis of RLANRC is neurological care, including epilepsy surgery, spine surgery, and other related neurology. USC retained the services of a former County employee, Dr. Charles Liu, who is now a University physician, effective October 1, 2013. In addition to clinical care, Dr. Liu will also oversee the recruitment of neurosurgeons and other surgeons, direct the improvement of quality and efficiency of the Neurosurgery and Anesthesiology Departments in collaboration with the respective Chairpersons and assess all existing surgical programs and Perioperative care. Dr. Liu will continue in his role on DHS' Perioperative Steering Committee charged with providing recommendations on reorganizing the elective procedure/surgery workflow across all DHS facilities. Finally, RLANRC will be increasing surgical services to DHS from 4 days to 5 days per week. RLANRC will reimburse LAC+USC MC a pro-rated amount of \$283,754 for Dr. Liu's services provided at RLANRC effective October 1, 2013, and an annual amount of \$378,338 thereafter.

Further, RLANRC will also recruit the services of Dr. John Russin as the new Director of

Cerebrovascular Surgery. Dr. Russin will assist the existing surgical team for refinement of the Stroke Neurology Program, endarterectomies and other surgical procedures that previously would require RLANRC to transfer the patients to another facility. In addition, Dr. Russin will work with the Epilepsy Surgery Program that received the County's Productivity and Quality Award as well as the nationwide known Spine Surgery Program, which handles some of the most complicated spine surgery cases in the State. RLANRC will reimburse LAC+USC MC in the amount of \$335,423 annually for Dr. Russin's services, effective July 1, 2014, and will pro-rate this amount for FY 2014-15 based on his start date at RLANRC.

The addition of 2.0 FTEs for Dr. Liu and Dr. Russin at RLANRC are for the named physicians specifically and will be funded by vacant physician items at RLANRC. County has the sole discretion to accept or reject any replacement physician in the event that either physician leaves USC employment. If County elects not to accept the replacement FTE from USC, the maximum annual obligation shall be reduced accordingly and RLANRC will hire its own replacements.

Department of Radiation Oncology – Dosimetrist. DHS needs to increase the dollar amount \$85,585 to a maximum salary of \$154,100 to provide the additional funding requested by USC to successfully recruit an experienced dosimetrist (radiation therapist). LAC+USC MC has completed an assessment of this service, and determined that the County's salary level is not sufficient in today's market rate compensation package to successfully recruit and retain experienced radiation therapists.

Department of Emergency Medicine Reallocation of Services. LAC+USC MC will need to reallocate services in response to the California Public Safety Realignment Act (AB109) to better account for the varying patient care demands in specialty physician services. The funding for Emergency Room Physician (1.0 FTE totaling \$258,720 will be reallocated to purchase Various Specialty physician services (1.07 FTE) for AB109 services, including but not limited to, Emergency Medicine, Ophthalmology, Dermatology, Urology and Orthopedics.

Additional Purchased Services. LAC+USC MC is adding Purchased Services to obtain a doctoral scientist (1.0 FTE) for clinical laboratory studies. The cost of these services for FY13-14 at the pro-rated amount will be \$129,983. The annualized amount for FY 14-15 will be \$131,423.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 1, Operational Effectiveness/Fiscal Sustainability, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The maximum annual County obligation for LAC+USC MC under the Amendment will be adjusted from \$134,885,834 to \$135,299,571 for FY 2013-14, and will be increased to \$137,352,944 in FY 2014-15. Funding will be included in DHS' FY 2014-15 Final Adopted Budget request. The cost of the additional purchased services and attrition will be offset by a reduction to salary funding and reductions in registry costs. Continued funding for future years will be requested as necessary.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

DHS entered into the current MSAA with USC August 1, 2006 through June 30, 2007, with a one-

year automatic extension at the end of each contract year. The term of the current Agreement is for a rolling five-year term unless either party serves notice of non-renewal to the other party, in which case the MSAA would expire in four years. The MSAA was subsequently amended to accommodate the Replacement Facility for the LAC+USC MC, adjust staffing levels and provide additional compensation to retain current physician staffing, and add additional purchased services and funding to meet LAC+USC MC patients' needs and ensure full compliance with accreditation standards.

RLANRC's Neurology Department serves inpatients and outpatients with an array of neurological conditions and diagnoses. Among other things, it provides diagnostic and therapeutic care for patients with acute and chronic stroke, post stroke prevention, epilepsy, multiple sclerosis, neuromuscular diseases, movement disorders, neuropathy, cerebral palsy, spina bifida, spinal injury, traumatic brain injury and brain tumors. Expansion of this program is necessary to increase capacity and meet the neurosurgical needs of patients from all DHS' facilities.

County Counsel has advised that the portion of the Agreement related to academic and patient care service are not subject to the provisions of County Code Chapter 2.121, Contracting with Private Business (Proposition A).

County Counsel has reviewed and approved Exhibit I as to form.

### **CONTRACTING PROCESS**

Given the nature and scope of the services provided by USC under the Agreement, as well as the historic and longstanding relationship between the County and USC, the Department determined that it was not feasible to competitively bid this contract.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will enable the continued provision of physician medical education and patient care services at LAC+USC MC, and establish same services at RLANRC.

The Honorable Board of Supervisors

9/16/2014

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is written in a cursive, somewhat stylized font.

Mitchell H. Katz, M.D.

Director

MHK:ck

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

**AFFILIATION AGREEMENT**

Amendment No. 8

THIS AMENDMENT is made and entered into this 23rd day  
of September, 2014,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County")

and

THE UNIVERSITY OF SOUTHERN  
CALIFORNIA (hereafter "University").

WHEREAS, reference is made to that certain document entitled "AFFILIATION AGREEMENT", dated August 29, 2006, as amended by Amendment to the Affiliation Agreement dated November 14, 2008, Amendment No. 1 dated November 25, 2008, Amendment to Affiliation Agreement dated November 14, 2008, Amendment No. 3 dated April 19, 2011, Amendment No. 4 dated June 28, 2011, Amendment No. 5 dated November 13, 2012, Amendment No. 6 dated June 14, 2013, and Amendment No. 7 dated July 22, 2014, further identified as County Agreement No. 75853 (collectively, hereafter "Agreement");

WHEREAS, it is the desire of the parties hereto to amend the Agreement and add Addendum A-6 as described hereafter;

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment, which is formally approved and executed by both parties; and

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective upon Board approval.
2. Agreement, Paragraph 8.1, TERM, is deleted in its entirety and replaced as follows:

"8.1. Term. The effective date of this Agreement shall be August 1, 2006. This Agreement will remain in full force and effect for the remainder of

the initial Contract Year and for a term of five (5) full Contract Years unless otherwise terminated as provided below. At the end of each Contract Year, the term shall be automatically extended for an additional year, unless either Party serves notice of non-renewal ninety (90) days prior to the end of the current Contract Year, in which case the Agreement shall expire four (4) years from the end of the current Contract Year.

The County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option."

3. Agreement is modified to add Paragraph 12.33, Reporting of Child/Elder and Dependent Adult Abuse, as follows:

**"12.33 REPORTING OF CHILD/ELDER AND DEPENDENT ADULT ABUSE**

12.33.1 Contractor staff working on this Agreement shall comply with California Penal Code (hereinafter "PC") Section 11164 et seq., shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by these code sections and shall submit all required information, in accordance with the PC Sections 11166 and 11167.

12.33.2 Contractor staff working on this Agreement shall comply with California Welfare and Institutions Code (WIC), Section 15600 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective services agency or to a local law

enforcement agency, as mandated by these code sections. The Contractor staff working on this Agreement shall make the report on such abuse, and shall submit all required information, in accordance with the WIC Sections 15630, 15633 and 15633.5.

12.33.3 Contractor staff's failure to report as required is considered a breach of this Agreement subject to immediate termination and is also a misdemeanor, punishable by up to one year in jail, a fine of up to \$5,000 or both."

4. Agreement is modified to add Paragraph 12.34, Time Off For Voting, as follows:

**"12.34 TIME OFF FOR VOTING**

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000."

5. The "FTE Count" chart, A.2.4 in Addendum A-5, is deleted in its entirety and replaced with the following:

	<b>Physician and Dentist FTEs*</b>	<b>Non-Physician FTEs</b>	<b>Total FTEs</b>
Base Contract as of Contract Year ending June 30, 2014	629.25***	82.75***	712.00
Adjusted Contract Year ending June 30, 2014	1.00	1.00	2.00

1	<b>Total</b>	<b>630.25</b>	<b>83.75</b>	<b>714.00</b>
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\*\*\*The revision is a correction to Addendum A-5 in which a Ph.D. (psychologist) was included in the FTE count as a physician.

6. Additional FTEs and funding shall be added to A.3 in Addendum A-5 as follows:

**"A.3 Payment for Purchased Services.** County shall compensate University as set forth below.

	<b>Contract Year (Ending June 30, 2014 (Annualized, unless otherwise noted)</b>
<b>Contract Maximum Amount (from MSOA Addendum A-5)</b>	<b>134,885,834</b>
<b>Additional Funding Needed for CY ending June 30, 2014)</b>	
1. Neurosurgeon (1.0 FTE) at Rancho Los Amigos National Rehabilitation Center's Depts. of Neurosurgery and Surgery, effective October 1, 2013 based on annual amount of \$378,338	283,754*
2. Clinical Pathologist (PhD) (1.0 FTE) at LAC+USC for the Dept. of Pathology effective July 5, 2013 based on annual amount of \$131,423	129,983*
*Prorated cost.	
<b>Adjusted Contract Maximum Amount (CY ending June 30, 2014)</b>	<b>135,299,571*</b>

7. Addendum A-6 shall be added to the Agreement, attached hereto and incorporated herein by reference.

8. Any reference in the Agreement to Addendum A, A-1, A-2, A-3, A-4, A-5, and A-5-a shall also refer to Addendum A-6, as appropriate.

9. Except for the changes set forth herein, the remaining terms and conditions of the Agreement shall remain in full effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by its Chair and seal of said Board to be hereto affixed, and attested by the Executive Officer thereof, and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officers, the day, month and year first above written.

**ADOPTED**  
BOARD OF SUPERVISORS

# 23 SEP 23 2014

COUNTY OF LOS ANGELES

By *Don Krabe*  
Chairman, Board of Supervisors

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER  
SACHI A. HAMAI,  
Executive Officer Board  
of Supervisors of the  
County of Los Angeles

By *Antal*  
Deputy

UNIVERSITY OF SOUTHERN CALIFORNIA  
Contractor

By *Robert Abeles*  
Signature

Title Robert Abeles  
Senior Vice President, Finance



APPROVED AS TO FORM  
Richard D. Weiss  
Acting County Counsel

By *Richard D. Weiss*  
Principal Deputy County Counsel

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By *Antal*  
Deputy

75853 Supplement No. 4

**USC ADDENDUM A-6  
Purchased Services**

**Contract Year Ending June 30, 2015**

- A.1 General.** Payment for Purchased Services will be made by County to University in the amounts set forth in Section A.3 below. Payment for Purchased Services shall be made in quarterly installments, each payable on the first business day of each Contract Year quarter. In addition, if County requests increases in the volume of any Purchased Services identified in this Addendum A or Addendum A-5-a, County will pay for such services in advance on a quarterly basis. University is not obligated to provide such supplemental services until University receives payment from County for those services. Except with regard to additional Purchased Services provided by University pursuant to Section A.2.4.3 *Attrition of County-Employed Physicians*, any new services which the Parties agree to commence during the Contract Year, of a nature not set forth in this Addendum A and Addendum A-5-a, will be provided pursuant to an amendment or separate agreement between the Parties, subject to the approval of the Governing Board; such new services will be taken into account in revising Addendum A for the next Contract Year. Any such revisions to this Addendum A and Addendum A-5-a shall not take effect without a properly executed amendment.
- A.2 Purchased Services.** University shall provide the following Purchased Services during the Contract Year beginning July 1, 2014 and ending June 30, 2015. The type and volume of Purchased Services provided during the Contract Year shall continue on an annualized University Personnel FTE basis, unless otherwise noted, as provided by University Personnel during the prior Contract Year. All Purchased Services shall be provided at the same overall level during the prior Contract Year unless otherwise expressed in this Addendum A.
- A.2.1 Clinical Services. Except for those services which may be provided by persons other than University Personnel, University shall provide those clinical services sufficient to address the goals and responsibilities set forth in §5.4.
- A.2.2 Non-Clinical Academic and Administrative Services. Except as provided by persons other than University Personnel, University shall provide academic and management services sufficient to address the goals and responsibilities set forth in §§ 5.3 and 5.5, respectively, including Subject Matter Expert services set forth in Addendum A-5-a.
- A.2.3 Research. The Parties understand and agree that no funds paid under this Agreement shall be used to pay for non-clinical research. If it is determined that any funds are used to pay for non-clinical research, University shall reimburse County such amount.
- A.2.4 Volume of Purchased Services. Until measures are developed to more accurately define the volume of Purchased Services, the Parties agree that the volume of all services will be measured on the basis of full time equivalents (FTEs) for physicians and other University Personnel.
- A.2.4.1 Intentionally omitted.

FTE COUNT			
	Physician and Dentist FTEs*	Non- Physician FTEs**	Total FTEs
Base Contract as of Contract Year ending June 30, 2014	630.25	83.75	714.00
New Contract Year ending June 30, 2015	6.07	0	6.07
<b>Total</b>	<b>636.32</b>	<b>83.75</b>	<b>720.07</b>

\*The FTEs include a fraction of the effort of 8 direct County-paid physicians who receive a stipend from University (to be verified by the Hospital).

\*\*The FTEs include Intra-Operative Monitoring (IOM) Technicians. University shall continue to provide IOM Technicians effective July 1, 2013 at the same rates set forth in Amendment No. 5 of this Agreement, and annually thereafter, unless University provides written notice to Director by February 15 to request changes effective July 1 of that same calendar year. County may terminate the FTEs related to IOM Technicians upon 90 days prior written notice.

A.2.4.2 *Allocation of FTEs.* The allocation of University Personnel FTEs among Departments may be changed upon written agreement of the Chief Medical Officer, CEO and University Representative that such reallocation optimizes the use of personnel in the performance of this Agreement.

A.2.4.3 *Attrition of County-Employed Physicians.* Upon attrition of a County-employed physician in Primary County Facilities, Director may (1) hire a replacement or (2) direct University, for the remainder of the Contract Year to provide the services previously provided by such County physician through University-employed physicians, which shall constitute additional Purchased Services under this Agreement for which University shall be compensated during the Contract Year in addition to the contract maximum amount set forth in this Addendum A.

**A.3 Payment for Purchased Services.** County shall compensate University as set forth below.

**CY ending June 30, 2015**

**Additional Funding Needed for Current Services:**

**Adjusted Contract Maximum Amount  
(CY ending June 30, 2014) 135,299,571**

**ADDITIONAL**

1. Additional funding needed to annualize the costs of the Neurosurgeon (1.0 FTE, Charles Liu, M.D.) at Rancho Los Amigos National

	Rehabilitation Center added on October 1, 2013.	94,584*
2.	Additional funding needed to annualize the costs of the Clinical Pathologist (1.0 FTE) added on July 5, 2013.	1,440
3.	Trauma Surgery (n/a) Dept. of Surgery, Acute Trauma Services	294,424
4.	Dosimetry Services (n/a) Dept. of Radiation Oncology	85,585
5.	Various University Physicians to replace County-employed Physicians as a result of attrition (5.0 FTE)	1,241,917**
6.	Neurosurgeon (1.0 FTE, John Russin, M D ) at Rancho Los Amigos National Rehabilitation Center	335,423*

\* Funding will be prorated based on actual start date. Addition of this FTE is based upon a retention package comprised of reimbursement funded by the County specifically for the named provider. County has the sole discretion to accept or reject any replacement FTE. If County elects not to accept any replacement FTE, the Contract Maximum Amount shall be reduced accordingly.

\*\* Funding will be prorated based on date of coverage by USC.

**REALLOCATION**

1.	Deletion of Emergency Medical Physician Jail Observation Medical Director (-1.0 FTE)	(258,720)
2.	Various Specialty Physicians (1.07 FTE)	258,720
	<b>Subtotal (6.07 FTE)</b>	<b>\$2,053,373</b>

**Contract Maximum Amount (CY ending June 30, 2015) \$137,352,944**

**A.4 Volume of Purchased Services.**

A.4.1. Academic Purchased Services. During the term of this Agreement, Academic Purchased Services will be performed by Faculty in accordance with the requirements of this Agreement. The parties agree during the Contract Year to work together to develop a new methodology for determining payments for the provision of Academic Purchased Services under this Agreement.

A.4.2. Academic and Clinical Administrative Purchased Services. During the term of this Agreement, University shall provide Academic and Clinical Administrative Purchased Services as needed to support the Training Programs in accordance with the requirements of this Agreement. The Parties agree during the Contract Year to work together to develop a new methodology for determining payments for the provision of University Academic and Clinical Administrative Purchased Services under this Agreement.

- A.4.3 **Mission Support**. County is committed to promoting medical education in its community, as reflected through County's affiliation with University and County's participation in graduate medical education training programs accredited by the Accreditation Council for Graduate Medical Education. The Parties agree during the Contract Year to work together to develop a methodology for providing mission support to University.
- A.5 **Community-Based Health Services Planning**. University agrees to participate in the County's community based planning efforts. These planning efforts include but are not limited to: resizing the breadth and depth of primary and specialty care programs to meet local community needs, disease burden and public health initiatives; resizing the breadth and depth of tertiary and quaternary services to fit effectively within system-wide DHS clinical programs; expansion of outpatient diagnostic and therapeutic programs at Hospital and other community-based sites; sizing ACGME, ADA and other allied health programs in concert with service delivery planning; and developing, implementing and reporting evaluation metrics for the quality and efficiency of the service delivery program.
- A.6 [Intentionally Deleted]
- A.7 **Faculty Teaching Incentive Fund**. Facility JPO Committee will establish annual awards for excellence in teaching to be awarded to Faculty. Faculty awardees and the amount of the awards will be determined by the Facility JPO based on written criteria to be jointly developed by University and County. In developing written criteria, University and County shall include resident and medical student participation as necessary criteria. Parties agree to equally finance this Incentive Fund, with each party contributing \$25,000 annually.
- A.8 **Primary County Facilities**. Those facilities listed in Exhibit 2 shall constitute the Primary County Facilities where Purchased Services may be performed.
- A.9 **Information Physician Workload and Productivity**. The Parties shall work collaboratively to achieve both the clinical and operational goals as identified in the Hospital's mission and strategic plan. These include both short and long range goals, which will be refined and updated on an annual basis as part any revisions to this Addendum. To address a long range goal of improving information on attending staff workload and productivity, the parties agree to implement an initial two part solution:
- A.9.1 **Amion Physician Scheduling**. The Hospital shall provide the Amion electronic attending staff scheduling program for use by University. Within six months of providing the University access to Amion, or within six months of the execution of this Addendum, whichever is later, and in accordance with a timetable established by University and accepted by County, the University shall install and operate the Amion electronic attending staff scheduling program in a manner that identifies physicians in all clinical departments providing Purchased Services at Hospital each day (the "Hospital Schedules"). Hospital will have online access to the Hospital Schedules through Amion.
- A.9.1.1 The University shall be responsible for the input, security and access of all data into Amion. To ensure accuracy, the University shall update physician scheduling data into Amion on not less than a daily basis and will periodically validate Hospital Schedules.
- A.9.1.2 Upon request of the County, the University shall verify the accuracy of physician schedules in Amion as compared to actual physicians who have worked and the amount of hours worked by such physicians. The above verification may include one, several or all departments/services in the Hospital.

A.9.2 The parties acknowledge that the Hospital and University have completed three Memoranda of Understanding to measure performance and productivity of Purchased Services for the Harris-Rodde Specialty Clinics Coverage, Echocardiography and Radiation Oncology, anticipated to be executed by the parties within one month of execution of this Addendum. Hospital and University mutually agree to work together to develop additional Memoranda to measure performance and productivity for other major clinical Purchased Services as agreed by the Parties. The Parties shall use good faith efforts to complete and execute such Memoranda within twelve months of execution of this Addendum.

The Parties shall develop a mutually agreed upon system to track compliance with the performance and productivity goals identified in each Memorandum of Understanding (the "Tracking System"). When Hospital has reasonably determined that the performance and productivity goals under one (or more) Memorandum have not been met by University based on the data from the Tracking System, the Hospital shall notify the University in writing within twenty (20) days of such determination (the "Notice"). The Notice shall be delivered to the Office of the Dean of the Keck School of Medicine, with a copy to the Office of the General Counsel. The Notice shall identify the specific performance and productivity goal by type and amount of unmet services, as compared to the performance and productivity goal(s) under the applicable Memorandum as well as Hospital's efforts to correct any Hospital issues related to the performance and productivity goal(s) at issue.

Within thirty (30) business days of receiving the Notice from the Hospital, the University shall submit a corrective action plan to the Hospital which sets forth the specific action(s) to be taken to meet the performance and productivity goal(s) and time period for completion of the corrective action plan. The Parties will work together to modify the corrective action plan to address each Party's concerns.

Disputes about each Party's compliance with the corrective action plan will be reviewed by an independent arbitrator selected by the Parties. The arbitrator's fees will be equally borne by the Parties. If the arbitrator determines that, solely due to the acts or omissions of University, University has not implemented in good faith the material elements of the corrective action plan within the time period specified in the corrective action plan agreed to by the Parties, the Hospital may deduct from payment to be made to the University the Hospital's actual and reasonable additional cost to provide the unmet services that directly result from such failure to meet the performance and productivity goals (except with respect to any goal established for new patients or new visits) through an alternative arrangement.

To the extent that the Parties desire University to provide services in excess of those established by the performance and productivity goals, they may increase those goals and provide for additional payment related to such services to University through an administrative amendment signed by both Parties, provided that such additional payment does not exceed the Contract Maximum Amount provided in Section A.3 of Addendum A. To the extent that payment for such additional services would cause total payments due under this Addendum to exceed the Contract Maximum Amount, the Parties acknowledge that compensation may only be made for such additional services after the Governing Board approves a formal amendment to this Addendum A authorizing such supplemental services.

A.9.3. Medical Record Documentation Performance Goals. The parties acknowledge the importance of accurate and timely documentation of patient medical information to facilitate patient treatment, care and services, particularly in the postgraduate physician teaching environment of the Hospital. Such proper documentation is reflected in policies and standards applicable to the University, including, without limitation, the standards set forth by the Joint Commission (formerly defined as "JCAHO"), and policies issued by the County Department of Health Services. In addition to other compliance obligations, the parties seek to emphasize compliance with the following:

*A.9.3.1 Joint Commission* The Parties agree to work together to maintain a medical record delinquency rate at or better than the full compliance threshold set forth by Joint Commission (IM 6.10; EP 11 "The medical record delinquency rate averaged from the last four quarterly measurements is not greater than 50% of the average monthly discharge (AMD) rate and no quarterly measurement is greater than the AMD rate."). To that end, the University agrees to work with County toward compliance by ensuring that physicians meet this compliance threshold with respect to the physician components of the medical record. For purposes of this section, a delinquent medical record is defined as a medical record available to the Physician for review and is further defined by Hospital Medical Staff Rules and Regulations.

*A.9.3.2 DHS Policy* The University agrees to work toward a 90% threshold compliance rate for the following components of DHS Policy 310.2, Supervision of Residents, or as subsequently amended by DHS, by ensuring that physicians meet this compliance threshold regarding the physician components of the medical records and activities which are set forth below. References to the specific provision of DHS Policy 310.2 are in parentheses.

(4.1) An attending physician shall see and evaluate each patient prior to any operative procedure or delivery and shall document this evaluation in the medical record.

(4.2) An attending physician is responsible to assure the execution of an appropriate informed consent for procedures and deliveries with consent form and progress note documenting the consent discussion in the medical record.

(4.4.1) If the attending is present for the operative or invasive procedure or delivery, he/she must document in the medical record that he/she has evaluated the patient and authorizes the procedure.

(4.4.2) If the attending physician is not present for the operative or invasive procedure or delivery, the supervisory resident shall document in the medical record that he/she has discussed the case with the attending and the attending authorizes the resident to proceed.

(4.5) An attending physician must assure an operative or procedure note is written or dictated within 24 hours of the procedure and shall sign the record of operation ("green sheet") in all situations for which direct attending physician supervision is required.

(5.1) An attending physician is responsible for supervision of the resident and appropriate evaluation of the patient for each emergency department visit.

(5.2) An attending physician or supervisory resident shall review and sign the patient's record prior to disposition.

(7.1) An attending physician shall see and evaluate each inpatient within 24 hours of admission and shall co-sign the resident's admission note or record his/her own admission note within 24 hours.

(7.2) An attending physician shall see and evaluate the patient at least every 48 hours and shall ensure that the resident includes in the progress note that he/she has discussed the case with the attending or the attending physician shall record his/her own note at least every 48 hours.

(7.3) An attending physician shall discuss the discharge planning with the resident. The resident shall document in the medical record the discussion of the discharge plan and the attending physician concurrence with the discharge plan prior to the patient's discharge, or the attending shall record his/her own note.

(8.1) An attending physician or supervisory resident shall discuss every new patient with the resident physician within 4 hours of admission of each such patient to the Intensive Care Unit. The resident shall document this discussion with the attending physician

(8.2) An attending physician shall see and evaluate the patient within 24 hours after admission to the Intensive Care Unit, discuss this evaluation with the resident and document this evaluation and discussion in the medical record.

(8.3) An attending physician shall see and evaluate all admitted patients at least daily following admission and discuss this evaluation with the resident. The attending physician shall ensure that the resident includes in the progress note that he/she has discussed the case with the attending, or the attending physician shall record his/her own note to that effect.

The parties acknowledge that resident compliance of DHS policy requires that each party satisfy their respective obligations, with the Hospital employing residents, and the University employing the Faculty responsible for the oversight/teaching of residents. To that end, the responsibilities of the University under this Agreement shall include proper teaching/instruction of the requirements of DHS policy as set forth in this section and appropriate incorporation of the requirements of this section with resident competency evaluation.

*A.9.3.3 Monitoring and Corrective Action Regarding Compliance with DHS Policy.* Monitoring and corrective action to determine and maintain compliance with Performance Goals set forth above shall be performed through the Hospital's existing quality assurance/quality improvement structure and committees, or as modified in accordance with Hospital bylaws, and rules and regulations

In addition, within six months of the execution of this Addendum, the Hospital shall work with the University to establish a process for the University to monitor compliance with the Performance Goals set forth above.

A.9.4 Operative Procedures for Residents. The University shall ensure that each department develops within 60 days of execution of this Addendum, and updates as needed to reflect any changes, or on an annual basis, whichever is more, the following:

a list of residents designated as supervisory residents.

a list of operative procedures that may be conducted by a supervisory resident to be approved by the Medical Executive Committee and Network Executive Committee.

*A.9.4.1 Clinical Core Measures.* The Parties agree that quality patient care is critical to the missions of the University and the County. To that end, the University shall use best efforts to achieve 90% compliance with the following clinical core measures:

Heart Failure-3:ACEI or ARB for LVSD

Heart Failure-2: Evaluation of LVS function

Pneumonia 3b: Blood cultures performed in the Emergency Department prior to initial antibiotic received in the Hospital.

Pneumonia 6b: Initial antibiotic selection for community acquired pneumonia in immunocompetent patients – non ICU patients.

Pneumonia 6a: Initial antibiotic selection for community acquired pneumonia in immunocompetent patients – ICU patients

Acute MI - 1: Aspirin on arrival.

Acute MI - 2: Aspirin prescribed at discharge

8 Acute MI - 3: ACEI or ARB for LVSD.

Acute MI - 5: Beta blocker prescribed at discharge.

Acute MI - 6: Beta blocker on arrival

Acute MI - 8a: Median time to primary PCI received within 90 minutes of hospital arrival.

SCIP 1a: Prophylactic antibiotic received within one hour prior to surgical incision, overall rate

SCIP 2a: Prophylactic antibiotic selection for surgical patients, overall rate

SCIP 3a: Prophylactic antibiotics discontinued within 48 hours after surgery end time, overall rate.

*A.9.4.2 Monitoring and Corrective Action Regarding Compliance with Clinical Core Measures.* Monitoring and corrective action to determine and maintain compliance with Performance Goals set forth in Paragraph A.9.4.1 above shall be performed through the Hospital's existing quality assurance/quality improvement structure and committees, or as modified in accordance with Hospital bylaws, and rules and regulations